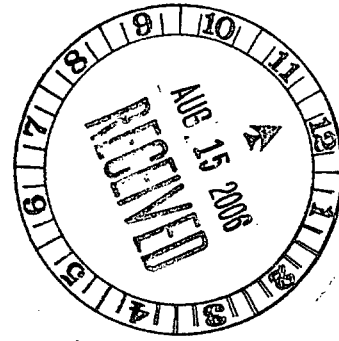


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LAW OFFICE
THOMAS F. McFARLAND, P.C.
208 SOUTH LA SALLE STREET - SUITE 1890
CHICAGO, ILLINOIS 60604-1112
TELEPHONE (312) 236-0204
FAX (312) 201-9695
mcfarland@aol.com

THOMAS F. McFARLAND



August 14, 2006

By UPS overnight mail

Vernon A. Williams, Secretary
Surface Transportation Board
Case Control Unit, Suite 713
1925 K Street, N.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings

AUG 15 2006

Part of
Public Record

Re: Finance Docket No. 34898, *Michael R. Root -- Continuance In Control
Exemption -- Iron Bull Railroad Company LLC*

Dear Mr. Williams:

Enclosed please find an original and 10 copies of Verified Notice of Exemption Under 49 C.F.R. 1180.2(d)(2), for filing with the Board in the above referenced matter.

Also enclosed is \$1,100 for the filing fee.

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Applicant

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FEE RECEIVED
AUG 15 2006
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TRANSPORTATION BOARD

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AUG 15 2006
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

MICHAEL R. ROOT -- CONTINUANCE)
IN CONTROL EXEMPTION -- IRON) FINANCE DOCKET
BULL RAILROAD COMPANY LLC) NO. 34898

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1180.2 (d)(2)**

MR. MICHAEL R. ROOT
1784 South Main Street
Lebanon, OR 97355

Applicant

By: THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: August 15, 2006

BEFORE THE
SURFACE TRANSPORTATION BOARD

MICHAEL R. ROOT -- CONTINUANCE)
IN CONTROL EXEMPTION -- IRON) FINANCE DOCKET
BULL RAILROAD COMPANY LLC) NO. 34898

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1180.2 (d)(2)**

Pursuant to 49 C.F.R. § 1180.4(g)(1), MR. MICHAEL R. ROOT (Mr. Root), a noncarrier, hereby files this notice of exemption under 49 C.F.R. § 1180.2(d)(2) for an exemption from the prior approval requirements of 49 U.S.C. § 11323 for his continuance in control of Iron Bull Railroad Company LLC (IBR), upon IBR becoming a rail carrier as a result of a notice of exemption for its operation of a rail line in Finance Docket No. 34897, *Iron Bull Railroad Company LLC -- Operation Exemption -- PIC Railroad LLC between Iron Springs and Iron Mountain, UT*, filed on August 4, 2006. Mr. Root submits the following information required by Board regulations.

1. 49 C.F.R. § 1180.6(a)(1)(i) - (a) *All applications filed under 49 U.S.C. 11323 shall show in the title the names of the applicants and the nature of the proposed transaction. Beneath the title indicate the name, title, business address, and telephone number of the person(s) to whom correspondence with respect to the application should be addressed. The following information shall be included in all applications:*

 (1) *A description of the proposed transaction, including appropriate references to any supporting exhibits and statements contained in the application and discussing the following:*

 (i) *A brief summary of the proposed transaction, the name of applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed.*

The person to whom correspondence with respect to this notice of exemption should be addressed is Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

The transaction is a class exemption from 49 U.S.C. § 11323(a)(4) for Mr. Root to continue in control of IBR upon IBR becoming a carrier as a result of the operation exemption cited above. IBR will become a Class III rail carrier as a result of that exemption. Mr. Root currently controls Albany & Eastern Railroad Company (AERC) a Class III rail carrier. AERC in turn controls IBR. Consequently, Mr. Root will control AERC directly and IBR indirectly. Applicant's full name is Michael R. Root. Applicant's business address is 1784 South Main Street, Lebanon, OR 97355. Mr. Root's telephone number is (541) 259-6470. Mr. Root's counsel is Thomas F. McFarland, whose address and telephone number are 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, (312) 236-0204.

Mr. Root certifies that:

- (1) the rail properties operated by AERC and those to be operated by IBR do not connect with each other or any railroads in their corporate family; and
- (2) the continuance in control is not part of a series of anticipated transactions that would connect the rail lines of AERC and IBR with each other or any railroads in their corporate family; and
- (3) the transaction does not involve a Class I or Class II rail carrier.

As such, the continuance in control qualifies for the class exemption under 49 C.F.R. § 1180.2(d)(2).

2. 49 C.F.R. § 1180.6(a)(1)(ii) - *The proposed time schedule for consummation of the proposed transaction.*

The continuance in control will not be consummated earlier than seven days after the filing of this notice of exemption.

3. 49 C.F.R. § 1180.6(a)(1)(iii) - *The purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants.*

The purposes sought to be accomplished by the proposed acquisition of control are to achieve operating economies, to improve rail service to the public and to improve the financial viability of the commonly-controlled rail carriers.

4. 49 C.F.R. § 1180.6(a)(5) - *A list of the State(s) in which any part of the property of each applicant carrier is situated.*

IBR will operate wholly within Utah. AERC operates wholly within Oregon.

5. 49 C.F.R. § 1180.6(a)(6) - *Map (exhibit 1). Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included. In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board.*

Attached to this notice as Appendix 1-A is a copy of a map showing the rail lines to be operated by IBR shaded in yellow. Attached to this notice as Appendix 1-B is a copy of a map showing the rail lines operated by AERC shaded in yellow.

6. 49 C.F.R. § 1180.7(ii) - *Explanation of the transaction. (ii) Agreement (exhibit 2). Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction.*

The transaction is Mr. Root's continuance in control of IBR upon IBR becoming a rail carrier. There is no formal agreement between Mr. Root and IBR relating to that control.

LABOR PROTECTION

Applicants are agreeable to the usual labor protective conditions imposed in common control transactions for rail carriers, i.e., those in *New York Dock Ry. -- Control -- Brooklyn Eastern Dist.*, 360 I.C.C. 60 (1979).

ENVIRONMENTAL AND HISTORIC CONSIDERATION

The proposed transaction does not require environmental or historic reporting or assessment. *See* 49 C.F.R. § 1105.6(c)(2)(i) and 49 C.F.R. § 1105.8(b)(3).

VERIFICATION

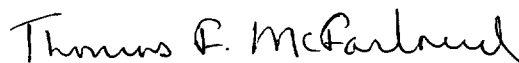
A verification of the facts in this notice is attached as Appendix 2.

WHEREFORE, within 30 days after this notice of exemption is filed, the Board should publish a notice thereof in the Federal Register.

Respectfully submitted,

MR. MICHAEL R. ROOT
1784 South Main Street
Lebanon, OR 97355

Applicant



By: THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204

Attorney for Applicant

DATE FILED: August 15, 2006

Finance Docket No. 34898

APPENDIX 1-A

Map of Utah showing major highways and cities. The map includes labels for neighboring states: ID, NV, AZ, and CO. Major cities shown include Ogden, Salt Lake City, and Provo. A scale bar indicates 0 to 50 miles. A compass rose is located in the bottom left corner.

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APPENDIX 2

VERIFICATION

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

THOMAS F. McFARLAND, being duly sworn on oath, deposes and states that he has read the notice in this docket, that he knows the contents thereof, and that the facts therein stated are true and correct.



Thomas F. McFarland

Thomas F. McFarland

SUBSCRIBED and SWORN
to before me this 14th
day of August, 2006.

Kathleen Lenhan

Notary Public

My commission expires: 1/29/2010